

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1569.
FILED, AUGUST 10th, 1967.

File
CANADA SOUTHERN PETROLEUM LTD.

Full corporate name of Company
Incorporated under The Companies Act (Canada) by letters
patent dated April 13, 1954

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Not more than 380,700 treasury shares out of the 750,000 treasury shares originally offered (see attached prospectus dated April 7, 1967 - page 7) are in the course of primary distribution - see item 20.
2. Head office address and any other office address.	505 Eighth Avenue West, Calgary, Alberta
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	John W. Buckley - Lakeville, Connecticut Benjamin W. Heath - 29 Colony Road, West Hartford, Connecticut Donald B. Lamont - 21 Greenley Road, New Canaan, Conn. M.A. Reasoner - 505 Eighth Avenue West, Calgary, Alberta, Canada Roland J. Richardson - 505 Eighth Avenue West, Calgary Alberta, Canada Alan S. Anderson - 486 Fiddlewood Rd. Vero Beach, Florida Arthur B. O'Donnell - 8 Northfield, West Hartford, Connecticut K. Ross Jordan - 103 East 37th Street, New York, N.Y. Chief occupations for the last five years are set out on Pages 16-17 of the attached Prospectus.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 8,000,000, p.v. \$1 each Issued (as at June 30, 1967); 6,600,706
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	7% mortgage maturing February, 1974 on land and buildings - At June 30, 1967 - balance outstanding was \$129,419. In addition, notes in the amount of \$158,974 were outstanding at June 30, 1967 in favor of the Canadian government in respect of uncompleted work requirements on various permits which notes will be cancelled by the Canadian government on completion of the work requirements.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Pursuant to an offering set forth in the attached prospectus dated April 7, 1967, the Company offered 750,000 treasury shares to the public at market on the American and Toronto Stock Exchanges. See page 7 of attached prospectus for further details. As of August 3, 1967, there remained not more than 380,700 of these shares to be offered as aforesaid. 23,000 shares are reserved for future options at prices to be determined. In addition an Incentive Stock Option Plan covering a total of 300,000 shares has been made available to employees of the Company. For further details the attached prospectus - page 21.

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None																				
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None																				
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	Full details of the expenditure of the funds to be acquired from the sale of the shares offered to the public are set forth under the heading "Use of Proceeds" on page 7 of the attached prospectus.																				
10. Brief statement of company's chief development work during past year.	Exploration for and development of properties believed to contain recoverable oil and natural gas reserves, principally in British Columbia, Alberta and the Northwest Territories.																				
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	The Company has no particular property acquisitions in mind but does acquire leasehold interests as part of carrying on its business.																				
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.																				
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.																				
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.																				
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>There follows the names and shareholdings of the five largest shareholders of Canada Southern Petroleum Ltd., all of which are brokers. It is not possible to determine the names of the owners of the beneficial interest held through such brokers. There are also listed below the names and shareholdings of the five largest individual shareholders as they appear on the records of the Registrar and Transfer Agent of the corporation as at July 6, 1967.</p> <table> <tr> <td>Merrill, Lynch, Pierce, Fenner & Smith, Inc.</td> <td>470,352</td> </tr> <tr> <td>Reynolds & Co.</td> <td>247,262</td> </tr> <tr> <td>James Richardson & Sons Inc.</td> <td>235,206</td> </tr> <tr> <td>Pershing & Co.</td> <td>102,248</td> </tr> <tr> <td>Paine, Webber, Jackson & Curtis</td> <td>96,967</td> </tr> <tr> <td>Premier Title & Mortgage Co.</td> <td>70,700</td> </tr> <tr> <td>George C. Williams</td> <td>39,700</td> </tr> <tr> <td>John M. Balliet</td> <td>11,500</td> </tr> <tr> <td>John W. Buckley</td> <td>10,700</td> </tr> <tr> <td>Maguire Foundation Incorporated</td> <td>10,100</td> </tr> </table> <p>The five shareholders named are assumed by management to be the beneficial owners of the shares stated to be registered in their respective names.</p>	Merrill, Lynch, Pierce, Fenner & Smith, Inc.	470,352	Reynolds & Co.	247,262	James Richardson & Sons Inc.	235,206	Pershing & Co.	102,248	Paine, Webber, Jackson & Curtis	96,967	Premier Title & Mortgage Co.	70,700	George C. Williams	39,700	John M. Balliet	11,500	John W. Buckley	10,700	Maguire Foundation Incorporated	10,100
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FINANCIAL STATEMENTS

CANADA SOUTHERN PETROLEUM LTD.
(A Canadian corporation)
CONSOLIDATED BALANCE SHEET
(Expressed in Canadian dollars)

June 30, 1967
(Unaudited)

ASSETS AND DEFERRED EXPENDITURES

Current assets:	
Cash	\$ 85,398
Accounts receivable	40,527
Refundable deposits and prepaid expenses	323,717
Total current assets	449,642
Investments and advances:	
United Canso Oil & Gas Ltd., 84,099 shares of capital stock and warrants for 7,008 shares, at cost (market value \$282,123)	\$ 155,091
Trans-Border Holdings Limited, 50% of capital stock at cost and advances of \$5,248	117,248
Coastal Coal Ltd.	25,000
Other	5,080
	302,419

Oil and gas permits, leases and interests, including well, geological and geophysical, lease rental and dry hole costs (see accompanying statement)	
Other exploratory expenses and general and administrative expenses deferred (see accompanying statement)	5,962,613
Land, building and equipment, at cost	4,445,762
Less accumulated depreciation	141,526
	352,215
	210,689

\$11,301,962

The subject Unaudited Financial Statements are hereby certified to be correct.

CANADA SOUTHERN PETROLEUM LTD.
by: *Donald R. Lamont, Director*
H. Ross Jordan, Asst. Sec. - Asst. Treas.

LIABILITIES AND CAPITAL

Current liabilities:	
Bank loan	\$ 158,974
Accounts payable and accrued liabilities	82,167
Current portion of mortgage payable	15,700
Total current liabilities	256,841
7% mortgage payable, maturing February 1974 (secured by land and building), less portion included above	113,719
Capital:	
Capital stock, par value \$1 per share:	
Authorized - 8,000,000 shares	
Outstanding - 6,600,706	\$6,600,706
Capital in excess of par value	9,464,269
Deductions from capital	16,064,975
	5,133,573
	10,931,402

\$11,301,962

I hereby certify that the above balance sheet and related statements and schedules present a true and accurate report of the financial condition of Canada Southern Petroleum Ltd. at June 30, 1967 and for the year then ended, subject to normal year-end audit adjustments

W. S. O'Donnell
Secretary & Treasurer

CANADA SOUTHERN PETROLEUM LTD.

CONSOLIDATED STATEMENT OF OIL AND GAS, PERMITS, LEASES AND INTERESTS
(Expressed in Canadian dollars)

Year ended June 30, 1967
(Unaudited)

	Balance - July 1, 1966	Additions	Sales and Re- firements	Balance - June 30, 1967
Cost of oil and gas permits, leases and interests acquired	\$1,767,566	\$ 153,148	\$ 44,518	\$1,876,196
Portion of predecessor company's investment in former subsidiary (represented principally by value assigned to capital stock issued) over the net assets received in liquidation as shown by the books of the subsidiary	1,117,995	-	-	1,117,995
Excess of cost of investment in Rampart Petroleum Ltd. (subsidiary) over equity in net assets at acquisition	83,984	-	-	83,984
Cost of standing wells	1,546,216	19,356	-	1,565,572
Geological and geophysical expenses	681,510	2,397	27,582	656,325
Lease rentals	458,754	66,808	43,930	481,652
Dry hole costs	136,878	44,031	-	180,909
	\$5,792,903	\$ 285,740	\$ 116,030	\$5,962,613

CANADA SOUTHERN PETROLEUM LTD.

**CONSOLIDATED STATEMENT OF OTHER EXPLORATORY
AND GENERAL AND ADMINISTRATIVE EXPENSES DEFERRED**
(Expressed in Canadian dollars)

Year ended June 30, 1967
(Unaudited)

	Balance July 1, 1966	Additions	Balance June 30, 1967
Portion of organization, corporate, general and administrative expenses incurred by predecessor company prior to April 20, 1954	\$1,956,162	-	\$1,956,162
Expenses of the Company since April 30, 1964:			
Salaries and employee benefits	1,677,381	\$ 136,622	1,814,003
Financial, technical and other services under contract	1,460,129	190,959	1,651,088
Legal services	762,016	49,829	811,845
Stockholders' reports and capital stock expenses	623,447	44,561	668,008
Building maintenance and rent	457,174	48,430	505,604
Intangible drilling costs, lease operating costs and royalties	317,654	1,070	318,724
Interest and exchange	310,903	12,615	323,518
Depreciation	294,932	13,829	308,761
Travel	126,343	3,588	129,931
Auditing services	95,589	9,000	104,589
Miscellaneous	645,919	43,295	689,214
	<u>8,727,649</u>	<u>553,798</u>	<u>9,281,447</u>
Less income received:			
Rents and other income	698,217	42,681	740,898
Oil and gas sales	673,779	2,730	676,509
Technical and administrative ser- vices rendered	177,863	2,720	180,583
Payments received from Phillips Petroleum Company on assigned properties less refund	37,425	-	37,425
	<u>1,587,284</u>	<u>48,131</u>	<u>1,635,415</u>
Total before abandonments and sales	7,140,365	505,667	7,646,032
Less portion of above expenses con- sidered allocable to interests abandoned or sold	3,131,269	69,001	3,200,270
	<u>\$4,009,096</u>	<u>\$ 436,666</u>	<u>\$4,445,762</u>

CANADA SOUTHERN PETROLEUM LTD.

CONSOLIDATED STATEMENT OF CAPITAL
(Expressed in Canadian dollars)

Year ended June 30, 1967
(Unaudited)

	Capital stock, Par value	Capital in excess of par value
Balance - July 1, 1966	\$6,247,306	\$9,010,362
Net proceeds from sale of 353,400 shares	<u>353,400</u>	<u>453,907</u>
Balance - June 30, 1967	<u>\$6,600,706</u>	<u>\$9,464,269</u>

CANADA SOUTHERN PETROLEUM LTD

CONSOLIDATED STATEMENT OF DEDUCTIONS FROM CAPITAL
(Expressed in Canadian dollars)

Year ended June 30, 1967
(Unaudited)

Balance - July 1, 1966	\$4,948,542
Add:	
Losses on abandonments or sales	<u>185,031</u>
Balance - June 30, 1967	<u>\$5,133,573</u>

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	None to the knowledge of the Company.		
	Present management believes, however, that the solicitation of proxies from various shareholders could, if such solicitation is successful, affect control of the Company		
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.		Cost	Market Value July 27, 1967
	United Canso Oil & Gas Ltd., 70,083 shares of capital stock.....\$123,237 \$159,307 Trans-Border Holdings Limited 50% of capital stock.....\$112,000 no market valuation available Home Oil Company 25 shares of Class A capital stock; 250 shares of Class B capital stock.....\$ 5,080 \$6,200		
18. Brief statement of any lawsuits pending or in process against company or its properties.	None.		
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	The Company has not entered into any material contracts not in the ordinary course of business other than the contract with the Catawba Corporation referred to in the attached prospectus at page 18.		
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts not disclosed by the foregoing or the attached prospectus and the attached unaudited financial statement as at June 30, 1967. Not more than 380,700 treasury shares are in the course of primary distribution.		

DATED August 7th, 1967

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

CANADA SOUTHERN PETROLEUM LTD.

"D.B. Lamont"

by:

Donald R. Lamont, Director
K. Ross Jordan, Asst. Sec. - Asst. Treas.

"K.R. Jordan"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)